House Bill 5324, an Act Concerning the Definition of "Urgent Care Clinic" and Requiring the Provision of Charity Care
Public Health Committee
February 23, 2015

My name is Michael Gutman, MD, PhD, FACEP, a resident of West Hartford, and I am the medical director and owner of New England Urgent Care, which is comprised of four urgent care centers in the greater Hartford area which has been open since February 2010 and presently sees almost 40,000 patients annually. We are open 365 days a year, operating 80 hours a week. We accept patients who have most of the private insurance plans as well as Medicare, Medicaid, Tricare and self-pay patients. We employ over 50 people. We are certified as an Urgent Care Center by the Urgent Care Association of America, a designation most walk in clinics cannot achieve.

Proposed House Bill 5324 would define the term "urgent care clinic" (UCC) and require such clinics to provide charity care. I support defining "Urgent Care Clinic" but I am opposed to requiring such clinics provide charity care. The Public Health Committee should reject the provision that would require clinics to provide charity care.

The urgent care industry is growing rapidly in the United States. The demand for immediate outpatient medical care is significant due to cuts in reimbursement rates and hospital consolidations. Urgent Care Clinics help keep patients out of the emergency room, alleviating a burden so that more serious injuries can be treated expeditiously as well as saving the medical system and patients a great deal of money. Urgent care clinics employ many people in the state who live, work and pay taxes here and contribute to the still-struggling economy.

New England Urgent Care is able to care for most if not all non-life threatening illnesses and injuries. Our services include in-house X-ray, Clinical Laboratory Improvement Amendments of 1988 (CLIA) regulations -waived laboratory capacity, and infusion of IV fluids and medications. Our clinics are staffed with an emergency RN, a physician assistant (PA) with a minimum of 2-3 years experience in an emergency department (ED), a licensed physician who is board certified in emergency medicine, and an X-ray technician. If only a PA is on duty then an emergency medicine board-certified physician is on call and available by phone or, if necessary, in person.

In effect, we manage and send directly home about 75% of the clinical problems that usually present to tertiary care hospital emergency departments or 85% of most community hospitals. Our urgent care system manages to deliver this service at about 10% of the cost that of a hospital-based system. However, as a result of urgent care clinics providing services at such a low cost, revenues barely exceed expenses. We provide an essential service to the communities that we serve but we would be financially vulnerable if non-compensated, or non-subsidized care is imposed on the industry.

Defining "urgent care clinic" is an important and worthy goal. If defined properly, it would help improve the quality of care and allow consumers to make more informed decisions about the medical care they receive. The definition should include a wide spectrum of care that is available and specify

that patients will be competently treated at the urgent care clinic without requiring further referral to a hospital-based emergency department. Additionally, it should prohibit clinics that do not adhere to the definition from advertising, representing or implying that they can provide such services.

If the State decides on a definition of UCC, than it should also aid in educating consumers of medical services, as to the cost efficiencies and access to this type of care. For example, the state could provide signage that identifies the location and hours of operation of nearby urgent care clinics on state highways.

Requiring urgent care clinics to provide charity care is counterproductive and would threaten their very existence. The federal Emergency Medical Treatment and Labor Act of 1986 (EMTALA) requires hospitals receiving Medicare funding to provide emergency care. Following passage of the Affordable Care Act in 2010, most citizens will have some form of health insurance, either private, through a health insurance exchange or, if they cannot afford it, Medicaid.

As a result, the notion of "charity care" is outdated because all citizens have access to health insurance regardless of their ability to pay. Allowing patients to access urgent care services free of charge will, in effect, impose an onerous tax on owners of facilities, which could have the same affect on urgent care clinics as EMTALA has had on hospitals. Since the passage of EMTALA in 1986, emergent department visits have grown by 30% yet the number of hospital based EDs has shrunk by close to 500 across the U.S., leading to overcrowding, deterioration of services and cost-shifting to private payers and patients.

Patients who truly have no means of payment or health insurance already have access to emergent health care in hospital based EDs. Patients without means but on Medicaid also have access to emergent care both at hospitals and at urgent care clinics that accept this insurance. Acceptance of this insurance will of course be predicated on the level of compensation that it provides for services. Unlike hospitals that are paid a "facility fee" by Medicare, Medicaid or Tricare, all private offices and clinics are not. As a result, private clinics are not subsidized to render care. This may allow for less expensive care but it results in a far slimmer margin for operating revenue, making the private office or clinic far more vulnerable financially.

EMTALA already require the provision of charity care. Imposing uncompensated service on privately owned urgent care clinics would harm this growing and important industry and could have the unintended effect of putting more patients in hospital EDs and burdening the already strained health care system. I doubt lawmakers want to do this at a time when the state faces a significant budget deficit and the proposed budget would cut health care programs, including reductions in Medicaid eligibility and payments to health care providers, and increases taxes on hospitals.

If you have any questions or if you need additional information, I can be reached at (860) 306-2609, or email mgutman7@gmail.com.